organised marketing services to a very large number of Government Departments and Public Sector Undertakings for the disposal of metal scrap arisings.

Heavy losses by Engineering Projects India Limited

*220. SHRI JAGIR SINGH DARD: DR. SHRIKANT RAM-CHANDRA JICHKAR:

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Engineering Projects India Limited has incurred heavy losses in the execution of projects undertaken by them abroad particularly in Kuwait and Iraq;

(b) if so, the details of these losses and reasons therefor;

(c) steps taken/to be taken to fix the responsibility; and

(d) in what manner the losses will be prevented in future?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) Engineering Projects (India) Ltd. (EPI) had undertaken works in Kuwait and Iraq from 1975 to 1984. The losses have been mainly because of time and cost overrun due to interruption of work caused by Iran-Iraq hostilities, rigid and unreasonable attitude of the clients regarding quality certification, delayed payment of EPI's bills by Iraqi clients, and heavy interest burden on loans taken from banks during the execution of projects in Iraq and Kuwait. These losses have been to the extent of Rs.79.49 crore.

(c) Consequent to the observations made by COPU in its Second Report (1991-92), a committee was appointed to identify the losses and fix responsiblility. The lapses identified were mismanagment and were of administrative nature. Since the officials held responsible had either expired or were no longer with the company, no administrative or legal action was possible.

(d) The company has been debarred from taking up overseas projects. Besides, the following steps have been taken by the Managment of EPI to prevent losses in future:

1. Delegation of authority has been clearly defined by the Board and monitoring systems have been strengthened.
2. It has been decided not to release ad-hoc advances to sub-contractors.
3. Strict vigil maintained on materials for construction and cost of construction.
4. Engaging consultant for design has been minimised.
5. Organisation structure has been rationallsed. An Executive Director (Vigilance) has been appointed on deputation basis.

WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Employees Suspended in Super Bazar

1479. SHRI V.P. DURAISAMY: Will the Minister of CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether a number of employees have remained suspended in Super Bazar for many years;

(b) if so, the number of employees who have remained suspended for more than six months, one year, two years, three years and more than five years as on 1st March, 1997;

(c) the rules regarding payment of subsistence allowance to the suspended employees;

(d) whether the percentage of subsistence allowance remains static or increases over a period of time; and

(e) whether employees suspended earlier are being paid less percentage of subsistence allowance than the employees suspended later and if so, the reasons therefor?